SUPREME COURT OF THE UNITED STATES.

No. 413.—October Term, 1934.

Gulf, Mobile & Northern Railroad Company, Petitioner, *vs.* Guy T. Helvering, as Commissioner of Internal Revenue.	On Writ of Certiorari to the United States Court of Appeals for the District of Columbia.

[December 3, 1934.]

Mr. Justice Stone delivered the opinion of the Court.

Certiorari was granted in this case "limited to the question of the right of the taxpayer to deductions on account of amortization of bond discount." 293 U. S. —. At various dates between 1913 and 1916, Meridian & Memphis Railway Company sold its thirty year 5% gold bonds at a discount. During the years 1924 to 1926, inclusive, while petitioner was the owner and holder of the entire bond issue, it joined with the Meridian & Memphis in filing consolidated income tax returns as affiliated corporations. In each year the latter deducted from gross income the amortized bond discount. The deductions were disallowed by the Commissioner. His action was sustained by the Board of Tax Appeals, 22 B. T. A. 233, and by the Court of Appeals for the District of Columbia. 71 F. (2d) 953. The question presented is the same as that decided this day in No. 107, *Old Mission Portland Cement Company v. Helvering*. The judgment of the court below was therefore right and is

Affirmed.

Mr. Justice Butler and Mr. Justice Roberts think the judgment should be reversed.